

SENATE BILL REPORT

SB 6345

As Reported By Senate Committee On:
Government Operations & Elections, February 04, 2008

Title: An act relating to the alternative bid procedure for public utility districts.

Brief Description: Addressing the alternative bid procedure for public utility districts.

Sponsors: Senator Morton.

Brief History:

Committee Activity: Government Operations & Elections:2/4/08 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; Roach, Ranking Minority Member; Benton, Kline, McDermott and Pridemore.

Staff: Cindy Calderon (786-7784)

Background: Public utility districts (PUDs) are nonprofit, community owned and governed districts that provide electricity, water, wholesale telecommunications, and sewer service. PUDs purchasing materials, equipment, or supplies must be by contract except when the dollar amount does not exceed \$5,000. PUDs purchasing items in an amount greater than \$10,000 but less than \$50,000 may use a uniform vendor list in lieu of formal sealed bidding in awarding a contract. Under this procedure, contracts are awarded to the vendor who is the lowest responsible bidder.

The district must publish notice of its existing list of vendors and its solicitation of new vendors in a newspaper at least two times per year. Districts are required by resolution to establish procedures for securing telephone numbers or written quotations from at least three different vendors, whenever possible, to assure a competitive price is established and for awarding the contracts to the lowest responsible bidder.

Summary of Bill: Clarifies the monetary limits for the alternative bid process for public utility districts as being in any calendar month.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: PUDs are in the process of updating various bid limits. This bill clarifies the bid amounts are per month. The monthly limit concept is in other PUD statutes and is an existing practice. PUDs interpret this current statute as operating with a per month limit, but the auditors have questioned this since it is not explicit in the statute.

Persons Testifying: PRO: Senator Morton, prime sponsor; Bill Clarke, Washington Public Utility Districts Association.